

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

BLUE HILLS OFFICE PARK LLC,
Plaintiff,
Defendant-in-
Counterclaim,

v.

J.P. MORGAN CHASE BANK,
as Trustee for the Registered Holders of Credit
Suisse First Boston Mortgage Securities Corp.,
Commercial Mortgage Pass-Through Certificates,
Series 1999-C1, and CSFB 1999-C1 ROYALL
STREET, LLC,
Defendants,
Plaintiffs-in-
Counterclaim,

v.

WILLIAM LANGELIER and
GERALD FINEBERG,
Defendants-in-
Counterclaim.

CIVIL ACTION
NO. 05-10506-WGY

**SUPPLEMENTAL MEMORANDUM OF DEFENDANTS AND PLAINTIFFS-IN-
COUNTERCLAIM REGARDING PRE-JUDGMENT INTEREST AND
IN SUPPORT OF AMENDED MOTION FOR ENTRY OF JUDGMENT**

The Lender¹ submits this memorandum in further support of its Amended Motion for Entry of Judgment [dckt. no. 174]. On November 22, 2006, the \$1 million held in escrow by Wilmer Cutler Pickering Hale and Dorr LLP was paid over to the Lender, and on November 28, 2006, the \$1 million held in escrow by Bernkopf Goodman LLP was paid over to the Lender.

¹ Defendants and Plaintiffs-in-Counterclaim J.P. Morgan Chase Bank, as Trustee for the Registered Holders of Credit Suisse First Boston Mortgage Securities Corp., Commercial Mortgage Pass-Through Certificates, Series 1999-C1 (the “Trustee”) and CSFB 1999-C1 Royall Street, LLC (“CSFB”) are referred to collectively herein as the “Lender.”

These payments reduce the amount of pre-judgment contract interest to which Lender is entitled because they reduce the amount of principal on which interest accrues, as shown in detail on Exhibit A hereto. For that reason, the Lender requests that judgment enter in the second revised form attached hereto as Exhibit B.

CONCLUSION

For the reasons stated above, the Lender requests entry of judgment in the second revised form attached as Exhibit B hereto.

Respectfully submitted,

CSFB 1999-C1 ROYALL STREET, LLC,
and J.P. MORGAN CHASE BANK, as
Trustee for the Registered Holders of Credit
Suisse First Boston Mortgage Securities
Corp., Commercial Mortgage Pass-Through
Certificates, Series 1999-C1,

By their attorneys,

/s/ Bruce E. Falby

E. Randolph Tucker, BBO #503845

Bruce E. Falby, BBO #544143

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DLA PIPER US LLP

33 Arch Street, 26th Floor

Boston, MA 02110-1447

(617) 406-6000

Dated: December 1, 2006

LENDER'S SUPPLEMENTAL MEMORANDUM IN SUPPORT OF
AMENDED MOTION FOR ENTRY OF JUDGMENT

EXHIBIT A

Accrued Interest Calculation Through 11/28/2006

Annual Default Interest Rate:	.1349
Daily Default Interest Rate:	.00037472222 (based on 360-day year)
Annual Initial Term Interest Rate:	.0849
Daily Initial Term Interest Rate:	.00023583333 (based on 360-day year)

I. Outstanding interest owed on loan principal from August 8, 2003 – August 11, 2004:

Interest owed by Blue Hills at Default Rate (8/8/03 – 8/8/04) \$4,314,074.16
 (.1349 x \$31,979,793.66)

Interest owed by Blue Hills at Default Rate (8/9/04 – 8/11/04) \$35,950.62
 (.00037472222 x \$31,979,793.66 x 3 days)

Total Interest Owed at Default Rate 8/8/03 – 8/11/04: \$4,350,024.78

Interest paid by Blue Hills at Initial Term Interest Rate (8/8/03 – 8/8/04): \$2,715,084.48
 (.0849 x \$31,979,793.66)

Interest paid by Blue Hills at Initial Term Interest Rate (8/9/04 – 8/11/04): \$22,625.70
 (.00023583333 x \$31,979,793.66 x 3 day)

Total Interest Paid at Initial Term Interest Rate 8/8/03 – 8/11/04: \$2,737,710.18

Total Outstanding Interest from 8/8/03 – 8/11/04: **\$1,612,314.60**
 (\$4,350,024.78 - \$2,737,710.18)

II. Accrued Interest on \$10,770,847 from November 20, 2004 – November 22, 2006:

Interest at Annual Default Rate for Two Years (11/20/04 – 11/19/06) \$2,905,974.52
 (2 x .1349 x \$10,770,847)

Interest at Daily Default Rate for 3 Days (11/20/06 – 11/22/06) \$12,108.23
 (3 x .00037472222 x \$10,770,847)

Total Accrued Interest on \$10,770,847 from 11/20/04 – 11/22/06: **\$2,918,082.75**
 (\$2,905,974.52+ \$12,108.75)

III. Accrued Interest on \$9,770,847 from November 23, 2006 – November 28, 2006

Interest at Daily Default Rate for 6 Days (11/23/06 – 11/28/06) \$21,968.12
 (6 x .00037472222 x \$9,770,847)

[Total and Per Diem Interest after 11/28/06 on Next Page]

TOTAL PRE-JUDGMENT INTEREST THROUGH 11/28/06: (\$1,612,314.60 + \$2,918,082.75 + \$21,968.12)	<u>\$4,552,365.47*</u>
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IV. *ADDITIONAL PER DIEM PRE-JUDGMENT INTEREST

Additional Per Diem Pre-Judgment Interest of \$3,286.63 (\$8,770,847 x .00037472222) is to be added for each day after November 28, 2006 until the date on which judgment enters.

LENDER'S SUPPLEMENTAL MEMORANDUM IN SUPPORT OF
AMENDED MOTION FOR ENTRY OF JUDGMENT

EXHIBIT B

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CIVIL ACTION
NO. 05-10506-WGY

[SECOND REVISED PROPOSED] JUDGMENT

YOUNG, D.J.

December __, 2006

This case having come on for bench trial on September 13, 2006; the Court having considered all of the evidence and arguments presented by the parties and their counsel; and the Court having rendered a decision, it is hereby **ORDERED, ADJUDGED, AND DECREED:**

1. Judgment for J.P. Morgan Chase Bank, as Trustee for the Registered Holders of Credit Suisse First Boston Mortgage Securities Corp., Commercial Mortgage Pass-Through Certificates, Series 1999-C1 (the "Trustee") and CSFB 1999-C1 Royall Street, LLC

(“CSFB”) shall enter on all claims asserted in the Second Amended Complaint by Blue Hills Office Park LLC (“Blue Hills”). All claims asserted by Blue Hills are dismissed with prejudice.

2. On their Counterclaim, the Trustee and CSFB shall have judgment against Blue Hills, Gerald Fineberg, and William Langelier jointly and severally and recover:

- a. \$10,770,847.00;
- b. Accrued contract interest in the amount of \$4,552,365.47 through November 28, 2006;¹
- c. Additional accrued contract interest in the amount of \$_____ (\$3,286.63 per day for each day after November 28, 2006 until the date of judgment); and
- d. Attorneys’ fees and costs in the amount of \$_____.

¹ This amount consists of \$1,612,314.60 (the difference between the amount of interest paid by Blue Hills and the amount owed under the parties’ loan documents from August 8, 2003 through August 11, 2004; Blue Hills paid interest at the Initial Term Interest Rate of 8.49% but is obligated to pay interest at the Default Rate of 13.49%), plus \$2,918,082.75 (13.49% interest on \$10,770,847.00 from November 20, 2004 through November 22, 2006), plus \$21,968.12 (13.49% interest on \$9,770,847.00 from November 23, 2006 through November 28, 2006). Pursuant to Paragraph B on page 1 of the Note, interest is calculated on the basis of the actual number of days elapsed and a three-hundred-sixty (360) day year. The per diem interest rate is calculated by dividing the annual interest rate by 360.

CSFB and the Trustee are entitled to recover interest at the Default Rate of 13.49% from Blue Hills, Gerald Fineberg, and William Langelier pursuant to the Court’s October 13, 2006 summary findings and rulings and under the Note and Guaranty. See Note ¶ 5 (“upon the occurrence of an Event of Default...Payee shall be entitled to receive and Maker shall pay interest on the entire unpaid principal sum and any other amounts due at the Default Rate”); Note ¶¶ 1(k), (c), and (p) (defining the “Default Rate” as five percent above the Applicable Interest Rate, which is the Initial Term Interest Rate of 8.49%); Note ¶ 6 (“Interest at the Default Rate shall be...computed from the occurrence of the Event of Default until the actual receipt and collection of the Debt. Interest at the Default Rate shall be added to the Debt”); Note ¶ 1(j) (defining the “Debt” to include “all interest accrued and unpaid thereon and all other sums due under the Loan Documents”); Guaranty ¶ 1.2 (“Guarantor shall be liable for the full amount of the Debt”).

3. CSFB and the Trustee shall recover from Blue Hills, Gerald Fineberg, and William Langelier jointly and severally post-judgment interest on the total of the amounts set forth in paragraph 2 above, to the extent unpaid, at the legally applicable rate.

4. On October 13, 2006, the Court ordered that the \$2 million held in escrow accounts at the law firms of Bernkopf Goodman LLP and Wilmer Cutler Pickering Hale and Dorr LLP identified in Trial Exhibit 145 be paid over forthwith to the Trustee and CSFB. Pursuant to that order (which is hereby confirmed) those monies have since been paid (\$1 million on November 22, 2006 and \$1 million on November 28, 2006) in partial satisfaction of the amounts set forth in paragraph 2 above.

Judgment shall enter forthwith.

SO ORDERED.

WILLIAM G. YOUNG
DISTRICT JUDGE